

HANKEN SCHOOL OF ECONOMICS ANNUAL REPORT 2013



HANKEN



CONTENT

3	HANKEN IN BRIEF 2013
4	RECTOR'S OVERVIEW
6	HIGHLIGHTS 2013
10	HANKEN'S PHD PROGRAMME OFF TO A FLYING START
12	HANKEN'S RESEARCH OF INTERNATIONALLY HIGH STANDARD
14	NEW GRADUATES GIVE HANKEN GOOD MARKS
16	EXTERNAL DONATIONS STRENGTHEN HANKEN'S POSITION
18	HIGH LEVEL EXECUTIVE EDUCATION
20	THE YEAR 2013 IN FIGURES
22	HANKEN'S ORGANISATION
23	INVESTMENT OPERATIONS
24	FINANCIAL STATEMENT
26	DECISION-MAKING AND ADVISORY BODIES

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HANKEN IN BRIEF 2013

KEY FIGURES

Founded in Helsinki 1909
Campus also in Vaasa since 1980
Research and teaching in Swedish and English in five departments
Accredited by EQUIS since 2000
Hanken MBA-programme accredited by AMBA since 2008

DEGREES AWARDED

Doctor of Science	15
Master of Science	254
Bachelor of Science	227

STUDENTS

BSc and MSc students	2 228
Doctoral students	157

INTERNATIONAL STUDENT MOBILITY

Hanken students abroad	218
International students at Hanken	141

EXECUTIVE EDUCATION

Number of Executive Education courses	84
Number of participants in Executive Education	2 165

STAFF (FTE)

Faculty	129
Support staff	98

AN INNOVATIVE ENVIRONMENT FOR HIGH-CLASS RESEARCH AND INTERNATIONAL EDUCATION

Hanken School of Economics is a leading, internationally accredited business school in Finland. Hanken was founded more than a hundred years ago and is thus one of the oldest business schools in the Nordic region. Today, Hanken is a business school with clearly defined areas of strength: Economics, Finance, Management and Organisation, and Marketing.

Hanken is a research-intensive business school where all education is research-based. Hanken has an international approach, where internationalisation and multilingualism increasingly permeate all areas of activity. The School offers the full range of academic degrees and executive education on two campuses. In order to maintain practical relevance in all activities, our corporate connections are at the core of our activities, especially through the active alumni network, a forerunner from a national perspective.

The quality in our research is achieved via strong engagement in the international research community. In its educational programmes, the school has a long tradition of both internal and external internationalisation, with a comprehensive network of partner universities for student exchange, a nationally high proportion of international degree students and growing internationalisation in our research and teaching staff. The mandatory semester abroad lays the foundation for the students' international competence.

Like many leading international business schools, Hanken has deliberately chosen to function as a stand-alone business school. This brings challenges, but at the same time it allows flexibility to rapidly adapt to increasing international competition in research and education, and to the challenges and possibilities brought by a growing collaboration with the business world. In this respect, Hanken is unique in Finland.

Hanken has been internationally accredited (EQUIS) since 2000. Hanken's MBA programme was accredited by the International Association of MBAs (AMBA) in 2008. In 2008, the School also became the first university in Finland to sign the UN's Principles for Responsible Management Education (PRME, www.unprme.org).



RECTOR'S OVERVIEW

The starting point to Hanken's operations lays in a global education market that sets demands on both research, education, and recruitment. Hanken has continued its ambitious work in all these three fields.

An important factor for Hanken when competing on a global scale is international accreditation. Last year Hanken's MBA program renewed its AMBA accreditation, and we are determined to become a university with triple accreditation by 2016 at the latest. Besides the AMBA, this would include a renewed EQUIS accreditation as well as the American AACSB.

In 2013 Hanken has focused on developing its educational programmes. One important step was to appoint a director for all programmes at the bachelor and master levels. Also, a group of young, ambitious and highly qualified teachers has been appointed to further improve the quality of teaching at Hanken.

The number of applicants to Hanken has increased, especially among the Finnish-speaking student population, which accounted for almost 20% of all applicants. The new Hanken students seemed more motivated than ever before, certainly a good sign when it comes to fulfilling our set degree targets.

An external evaluation gave Hanken good marks for research. Out of our ten research areas, four were considered to be of the highest international standard, and these were appointed areas of strength for the next five years. Another four areas were considered to have the potential to develop towards highest international standard.

The number of Hanken publications is steadily increasing, especially those on the Financial Times Top 45 list, which carries only the most prestigious journals. Currently, Hanken can claim more publications on this list than any other Finnish university.

The degree of internationalisation has increased in both education and among faculty. The mandatory semester abroad has shown results in increased student mobility. More credits than before are being acquired abroad; a term abroad is more than mere academic tourism. And it would seem that Hanken itself provides an internationally viable research environment, as the number of our international faculty is also on the rise.

Financially, the year was more difficult, partly because of the transition to a new model for funding with no funds specifically allocated to, among others, the economic sciences. The general uncertainty regarding the country's finances also applies to state funding, making external funding for research, and support from alumni and the corporate world all the more important.

Hanken's financial position remained strong thanks to the HANKEN 100 fundraising campaign. With continued support from alumni and various organisations, Hanken has been able to continue the renovation of its library as well as to initiate grants for new doctoral students. The school's partner programme has also expanded and become established.

Hanken's success in 2013 is based on the excellent work done by the school's personnel, as well as on the mutual and continuing good relations between Hanken, our students and our external partners. I want to conclude by sincerely thanking everyone who has contributed to and supported Hanken's continued development!

A handwritten signature in black ink, reading 'Eva Liljebloom'.

EVA LILJEBLOM



THE MISSION STATEMENT OF HANKEN SCHOOL OF ECONOMICS

The mission of Hanken, a leading autonomous business school in northern Europe, is to advance new knowledge in business and society

- » through research and teaching activities which are characterised by academic excellence and corporate world relevance
- » through a programme portfolio that is targeted to an international student body simultaneously safeguarding Hanken's statutory responsibility for educating business graduates that are fluent in Swedish
- » through current research-based management education that fosters analytical and critical thinking as well as managerial competencies
- » through executive education and life-long learning that have a profound impact on management practice

In fulfilling its mission, HANKEN fosters values of openness, social responsibility, integrity and high quality in all activities.

THE VISION STATEMENT OF HANKEN SCHOOL OF ECONOMICS

Hanken is an acknowledged research-intensive business school with a distinctive profile in research and education. Hanken is well known for its international orientation, its creation of new knowledge, its internationally competitive graduates and its close interaction with the global academic and business communities.

HIGHLIGHTS 2013

JANUARY

FEBRUARY

NEW DECISION-MAKING AND ADVISORY BODIES

THE BOARD OF HANKEN

On 1 January 2013 the new Hanken Board commenced its term of office. The Board is Hanken's highest decision making body. It has 10 members, of which five represent the faculty and staff of the School, four are external members, and one represents the students.

The Board decides on most issues of a strategic nature, such as the strategic plans and the budget. The Board is responsible for the finances and their management, as well as the allocation of the Schools funds.

The Board members for the term of office 1 January 2013 – 31 December 2015 are: Chairman Björn Wahlroos, Jannica Fagerholm, Johan Knif, Kicka Lindroos, Charlotta Niemistö, Rasmus Savander, Tore Strandvik, Susanna Taimitarha and Johanna Tidström (see p. 26).

UNIVERSITY COUNCIL

The University Council has 18 members representing the different personnel groups at Hanken as well as the students. The Council appoints the external members of the Board, the auditors for the School and the Academic Council.

During the term of office 1 June 2012 - 31 December 2015 the University Council consists of (as of 31 December 2013): Tom Berglund, Filip Byfält, Åke Finne, Lotte Granberg-Haakana, Christian Grönroos, Markus Heikkilä, Maria Holmlund-Rytkönen, Tor-Oskar Karlberg, Mikko Laamanen, Camilla Lagerroos, Martin Lindell, Petri Mäntysaari, Marit Nilsson-Väre, Alexandra Ohls, Sebastian Sandberg, Nikodemus Solitander, Erik Stenberg and Pontus Troberg (see p. 26).

DEANS

The Deans of Hanken in 2013, appointed by the Hanken Board based on the suggestion from Rector, are Karen Spens, Rune Stenbacka and Lars-Johan Lindqvist, succeeded by Sören Kock.

During the term of office 1 January 2013 to 31 December 2015, Karen Spens, professor in Supply Chain Management and Corporate Geography, is Dean of Education, and Rune Stenbacka, professor in Economics, is Dean of Research.

Sören Kock, professor in Entrepreneurship and organisation at the Vaasa campus, succeeded Lars-Johan Lindqvist as Dean of the Vaasa campus. Professor Lindqvist retired on 18 December 2013, hence, Dean Kock's term of office runs from 19 December 2013 – 31 December 2015.

RECTOR'S LIST

On the 29th of May, the Rector's List Scholarship 2013 was awarded. The scholarship is annually awarded to a group of students who, according to certain criteria, represent the top five per cent of the students. The selection criteria include the numbers of semesters enrolled, the number of credits obtained, and the average course grades.



MARCH

APRIL

MAY

FUNDRAISING DINNER AND INAUGURATION OF THE EPCE RESEARCH CENTRE

The festivities began with the opening of Hanken's new research centre Erling-Persson Centre for Entrepreneurship. The research centre is named after an endowment of 2,5 million euros donated to Hanken from the Erling-Persson Family Foundation.



GRÖNROOS SERVICE RESEARCH AWARD

The winner of the 2013 Grönroos Service Research Award was Javier Reynoso, Professor and Director of the Service Management Specialty Program at EGADE Business School in Mexico. The award is presented in recognition of excellent achievements in service research to scholars who challenge common beliefs and demonstrate significant originality in their work.

HANKEN NETWORK DAY

In September, Hanken Network Day filled the foyer at Hanken with nearly 400 students and 50 experts from 20 different companies. This year's theme was "Focus Career and Entrepreneurship". The companies that took part in the day represented a wide variety of industries and this year also several start-ups took part in the event. The day ended with Hanken Network Day Dinner at the Student Union.



JUNE

JULY

AUGUST

SEPTEMBER



THE FIRST ELECTRONIC EXAM AT HANKEN

Hanken introduced an electronic examination system that can be used as an alternative or complement to traditional examinations. The eExam is supervised via cameras and is written in a room equipped with computers.

"It was easy to write the eExam, very similar to writing an email. I really appreciated the possibility to book the time for the eExam according to my own schedule", said Erika Nordlund, the first one to try out the new system.

QUALITY AND RESPONSIBILITY IN EDUCATION

Hanken was selected as one of the 25 member universities to become a member of the PRME Champions leadership group, which aims to collaboratively work to further develop and promote activities that make responsible management education a reality. Hanken's report of its progress in responsible management education was awarded the prize for best PRME report, 2013 Recognition of Excellence Award. Hanken's report was chosen among the reports of 500 university members worldwide, for a ground-breaking and innovative report.



HANKEN BUILDING 60 YEARS

On 23 October 2013, it had been 60 years since the main building of Hanken School of Economics on Arkadiankatu 22 in Helsinki was inaugurated. The house was originally planned for about 650 students, and at the inauguration Hanken had 300 students, 7 professors, 3 administrative employees and 1 librarian. Today Hanken has over 2 400 students and nearly 240 employees at the two campuses in Helsinki and Vaasa.

OCTOBER

NOVEMBER

DECEMBER



CATHARINA STACKELBERG ALUMNUS OF THE YEAR

The Alumnus of the year was announced during Hanken's biggest alumni event, Hankendagen, in October. Catharina Stackelberg, founder and CEO of Marketing Clinic, was bestowed with the honour with the motivation that Stackelberg is an active link between Hanken and business life and by this, a role model for both alumni and students. Hankendagen and its theme "Launching new business concepts" gathered over 200 alumni.

5 YEAR ANNIVERSARY OF THE HUMLOG INSTITUTE

The HUMLOG Institute (The Humanitarian Logistics and Supply Chain Research) celebrated its 5th anniversary in November. During the anniversary seminar, challenges in humanitarian logistics were discussed by Christian Fjäder, ICT Business Continuity Management at National Emergency Supply Agency and Kalle Löövi, Director of International Operations and Programmes, Finnish Red Cross. The HUMLOG Institute serves as a platform for research in humanitarian logistics.

HANKEN'S PHD PROGRAMME OFF TO A FLYING START

Hanken's PhD Programme was launched in February 2013 and has already proved to be a success.

"We had a worrying downward trend in the amount of applicants for our PhD studies. But now the trend is reversed and we have a definite increase in the amount of applicants 2013 as compared to the previous year", says Wilhelm Barner-Rasmussen, PhD Programme Director.

And just how does this PhD programme differ from the earlier PhD studies at Hanken?

"In brief, we have changed the structures for our PhD studies and at the same time we can guarantee all those accepted to our programme grant funding for 18 months", Barner-Rasmussen continues.

A guaranteed 18-month grant funding is one of the highest in Finland. Two large donations at the outset of the PhD programme have made this possible: 200 000 euros were donated in connection with Björn "Nalle" Wahlroos' 60th anniversary, and an annual sum of 100 000 euros for the years 2013-2014 comes from the Tre Smeder foundation.

"This has truly been a most encouraging start, providing great support for our PhD programme", says Professor Rune Stenbacka, who heads the Board for the programme. "It's really important for Hanken to be able to attract PhD students who have the qualifications to finish their studies in four years".

The aim is to be able to extend the guaranteed grant funding for up to 24 months in the future.

PROFESSIONALISATION OF THE PHD PROGRAMME

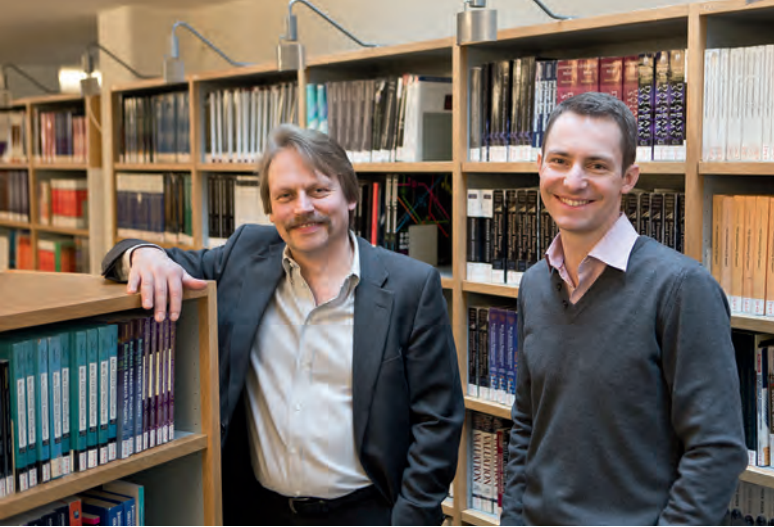
Hanken's PhD programme was one of the first among the Finnish universities. Two important steps forward have been taken with the restructuring of the PhD programme.

"Firstly, we can be more specific in our marketing in regard to both donors and potential students; secondly, we can in a very concrete way show potential applicants what Hanken has to offer", says Barner-Rasmussen. "The PhD programme is a much more visible part of our marketing, and we can even say that it's become a well-known concept".

Hanken's PhD programme recruits internationally and approximately half of the PhD students come from abroad; about a third of the candidates are Swedish-speaking. According to the target set by the Ministry for Education and Culture Hanken should achieve an average of 16 PhD degrees during 2013-2016.

"It's important that we keep working at making our PhD studies more systematic and helping our postgraduate students do a good job. We want to be able to offer them supervision that meets the highest standards and a financial situation that is as secure as possible".

According to Barner-Rasmussen there has been a general and emphatic professionalisation of PhD studies in the last 20 years. The PhD has increasingly become a gateway to an academic career. Hanken's PhD programme is structured to be completed in four years; the first 12-18 months consist mainly of structured courses. Concurrently with these, the postgraduates are encouraged to develop their own doctoral thesis, which take on an increasingly prominent role as the studies progress. The PhD programme develops other proficiencies needed in pursuing an academic



RUNE STENBACKA AND WILHELM BARNER-RASMUSSEN

career, e.g. teaching skills and experience in obtaining project funding. In a global perspective, there are not enough PhDs from accredited universities, and the unemployment rate among PhDs is low, especially in the field of economics.

SUCCESSFUL RESEARCH PROGRAMME

Why take your PhD within the Hanken programme? Rune Stenbacka points out that Hanken's research programme is a successful one, especially within its areas of strength, Economics, Finance, Marketing and Management and Organisation, but also within other areas such as Humanitarian Logistics.

Hanken maintains a high-quality profile and hasn't grown too big to lose its personal touch; a close contact exists between supervisors, scholars and PhD candidates. Hanken also prides itself on its excellent contacts to the business world, making it easy to combine theory and practice.

"It's important to find a business school with a high-level research programme within one's area of interest", stresses Barner-Rasmussen.

Applications to the PhD programme are submitted twice a year – primarily in March with a second period in September. The standards are demanding, with a view to attracting as many motivated applicants as possible.

MATS EHRNROOTH'S CONSORTIUM PROJECT RECEIVED FUNDING FROM THE ACADEMY OF FINLAND

Researcher Mats Ehrnrooth has together with Ingmar Björkman (Aalto University) and Vesa Suutari (University of Vaasa) been granted funding from the Academy of Finland for the consortium research project Influence without authority: Examining the agency and actions of Human Resource professionals. The project focuses on the HR-professionals' possibilities to influence the decision making within a company. Special attention is paid to factors increasing the HR-professionals' influence on decision-making within the organisation.

In addition to researchers from Hanken, Aalto University and University of Vaasa, the consortium includes 12 Finnish and Nordic companies as well as other international partners.

PRIZES AND APPOINTMENTS DURING THE YEAR

Postdoc-researcher and lecturer Henrika Franck is the first Finn ever to receive the Grigor Mc Clelland Doctoral Dissertation Award for her doctoral thesis "Ethics in Strategic Management: An Inquiry into Otherness of a Strategy Process". Franck has also been awarded second prize in the EDAMBA contest (European Doctoral Programmes Associations for Management and Business Administration) for the same doctoral thesis.

Assistant Professor Nina Granqvist received the The Roland Calori Prize for her article "Rage against Self-replicating Machines: Framing Science and Fiction in the US Nanotechnology Field", which she wrote together with Juha Laurila (Turku School of Economics).

Professor Christian Grönroos has received the foremost award of the Finnish Society of Science and Letters, the E.J. Nyström award. Grönroos was given the award as a result of the international recognition his research in marketing has received.

Mikko Vesa, lecturer, has received the Strategizing Activities and Practice Interest Group 2013 Best Student Paper Award for his article "Evolutive Consequences of Managerial Practice: Internal Cessation as a Selective Outcome". The award was the first of its kind to go to Finnish research.

HANKEN'S RESEARCH OF INTERNATIONALLY HIGH STANDARD

The research at Hanken was evaluated at the end of 2012 by an external panel of distinguished international academics. The aim of the evaluation process was to conduct a systematic and objective analysis of the research programme at Hanken. The panel's report and results were published at the beginning of 2013 and Hanken received a very good grade.

In its report the panel identified research areas where research is of the highest international standard, areas where research has the potential to develop towards the highest international standard, and areas where research is neither internationally nor nationally competitive.

Of the ten areas of research conducted at Hanken, eight have been identified as already being internationally competitive or as having the potential to develop in this direction. This is a remarkably good result, and shows the international high standing of Hanken's research programme.

Economics, Finance, Marketing, and Management and Organisation were listed as areas meeting the highest international standard. The committee also identified the sub-area Intellectual Property Law (IPL) as meeting the highest international standards.

The panel identified the following areas with development potential: Accounting, Corporate Geography & Supply Chain Management, Entrepreneurship, and Information Systems Science.

NEW AREAS OF STRENGTH AS A RESULT OF THE EVALUATION

As well as providing an external evaluation of Hanken's research programme, the results of the report served as guidelines for Hanken's Board when deciding on a new policy for areas of strength. As new areas of strength for the period 1 August 2013 – 31 July 2016, the Board chose those that according to the report met the highest international standards:

- » Economics
- » Finance
- » Marketing
- » Management and Organisation

According to Rector Eva Liljeblom, Hanken will continue its research in all current areas, but she emphasises that for a school of Hanken's size, to prioritise a few selected areas is an eminently sensible use of the School's resources.

Since 1994, Hanken School of Economics has appointed areas of strength within research and education for five years at a time. These areas are given precedence when allocating the School's research resources.

DOCTORAL THESES PUBLISHED 2013

BY SUBJECT

ACCOUNTING

ARGYROU ARGYRIS: Developing Quantitative Models for Auditing Journal Entries.

STORÅ JAKOB: Earnings Management Through IFRS Goodwill Impairment Accounting: In the Context of Incentives Created by Earnings Targets.

ECONOMICS

SAXÉN FRANS: Essays on the Economics of Retailing: Payments, Finance and Vertical Restraints.

SCHOLLENBERG LINDA: Essays on the Economics of Environmental and Sustainability Labelling.

FINANCE

BUTT HILAL: Asset Pricing in Small Sized Developed Markets.

HYTTINEN LILIA: Pharmaceuticals' Strategic Interactions: Three Essays in Corporate Finance.

VIRK NADER SHAHZAD: Explanations for Finnish Stock Returns with Fundamental and Anomalous Risks.

MANAGEMENT AND ORGANISATION / ENTREPRENEURSHIP

GALKINA TAMARA: Entrepreneurial Networking: Intended and Unintended Processes.

LOUVRIER JONNA: Diversity, Difference and Diversity Management: A Contextual and Interview Study of Managers and Ethnic Minority Employees in Finland and France.

OLIN TOMMY: Det sociala kapitalets inverkan på företagande: En studie i förutsättningarna för företagande i Purmo 1945 – 1976.

VESA MIKKO: There be Dragons! An Ethnographic Inquiry into the Strategic Practices and Process of World of Warcraft Gaming Groups.

MARKETING

ARANTOLA-HATTAB JOHANNA: Family as a Customer Experiencing Co-Created Service Value.

HOLTTINEN HELI: Cultural Ideals, Practices and Value Propositions in Consumer Everyday Value Creation.

NYMAN HENRICH: Service Profitability: An Augmented Customer Lifetime Value Approach.

STATISTICS

CATANI PAUL: Misspecification and Bootstrap Tests in Multivariate Time Series Models with Conditional Heteroskedasticity.

All theses can be read at www.hanken.fi/dhanken



NEW GRADUATES GIVE HANKEN GOOD MARKS

The employment situation for new Hanken graduates looks promising.

The results of a recent survey conducted by SEFE, The Finnish Association of Business School Graduates, shows that the rate of employment for Hanken graduates is high and the work they are doing corresponds to the their studies. The survey was conducted among those who had graduated from Finnish universities in 2007 and 2012. In 2007, 40 percent had answered the survey, and in 2012 the percentage was 66,3. Of the Hanken graduates who had been employed for five years, only six percent had been unemployed on graduation; none were unemployed when the survey was conducted.

Of the Hanken graduates employed for only a year when the survey was completed, only two percent had been unemployed on graduating. Hanken could also show a higher rate of permanent employment (49 percent) compared to other schools.

On the whole the survey shows that Hanken graduates are more internationally oriented than other graduates and a fairly large percent (22 percent) work abroad. Compared to other respondents, Hanken graduates from 2012 also to a larger extent perceived their studies to offer the prerequisites to become entrepreneurs.

Hanken also received better marks than other schools from its 2007 graduates when it came to communicating in foreign languages and developing one's social skills, i.e. working in groups and performing publicly. Hanken was also commended for its contacts to the business community.

Another nationwide university survey, Kandipalaute (a survey conducted among Bachelor's degree graduates), published 2013 showed that Hanken graduates are slightly more content with their lives and relationships than graduates from other universities.

A total of 59,1 percent of Hanken graduates had answered the survey, the best result among the Finnish universities. The result is significant, as the number of answers directly affects the funding universities will receive from the Ministry for Education and Culture.

2



AWARDS FOR HIGH-CLASS THESES

MSc Annika Altan was awarded the RELEX Supply Chain Award 2013 for her master's thesis in Supply Chain Management and Corporate Geography "Collaborative Buyer-Managed Forecasting: a new framework to create a competitive supply chain in the grocery sector". Altan's thesis was chosen as the Best Supply Chain Master Thesis in Europe 2013, with the motivation that her thesis was interesting, meaningful and gave new perspectives to a current problem.

MSc Jessica Jungell-Michelsson was awarded the The Finnish Family Firms Association's (Perheyrittysten liitto, PL) Matti Koiranen - Family Entrepreneurship Research Award for her thesis in entrepreneurship. She was awarded for the solid theoretical foundation of her thesis "Anställning av familjemedlemmar i familjeföretag, den svåra balansgången", which covers the challenges of employing family members in family business.



RECTOR'S LIST SCHOLARSHIP 2013

The annually granted Rector's List Scholarship, awarded to students who represent the top five percent measured in successful studies, was appointed the following students:

Katrin Ahlbäck
Richard Cawen
Sabina Hellström
Philipp Hinz
Päivi Hutukka
Kim Liljedal
Stella Lönnholm
Matias Mannevaara

Robert Nykopp
Elina Pitkonen Piguet
Tobias Romar
Maria Sippel
Simon Storbjörk
Jennifer Träsk
Jae Vanden Berghe
Heini Virtanen

HONORARY SCHOLARSHIPS FOR MASTER'S THESES AND EXCHANGE STUDIES

HONORARY SCHOLARSHIP FOR MASTER'S THESES

Through donated funds, Hanken awarded the nine best master's theses of the year with named honorary scholarships. The honorary students were chosen from all students who had received the grade Excellent or Very good for their thesis during the academic year. The honorary scholarships were awarded to the following students:

Kåre Björkstrand
Julianne Börman
Henna Korpela
Kaisa Lehtinen
Olga Neselevska

Tobias Romar
Dennis Sundvik
Steffen Suuronen
Mikaela Åkerberg

HONORARY SCHOLARSHIPS FOR EXCHANGE STUDIES

Hanken also awarded the highest achieving students with honorary scholarships from donated assets for their approaching exchange studies. The honorary scholarships, based on study time and grades, were awarded to the following students:

Emma Backlund
Henrietta Backlund
Jockum Backman
Casimir Berner
Cecilia Borgman
Patrick Castrén
Cotyso Costineanu
Kasper Dahlberg
Sofie Dalkarl
Raymond Edelmann
Teemu Friman
Johan Grotell
Nora Hortling
Katri Kanerva
Anna Klaile

Caroline Martin
Phuong Ha Nguyen
Santeri Niemelä
Alexandra Nordström
Iida Oksanen
Carl Saurén
Anna af Schultén
Sebastian Seppänen
Erik Stadigh
Sofia Stadigh
Jussi Uusitupa
Anna Välimäki
Linda Wiklund
Thomas Zambra

EXTERNAL DONATIONS STRENGTHEN HANKEN'S POSITION

External donations continue to be extremely important for Hanken's research and for the School's ability to compete internationally.

The donations Hanken received in 2013 came to a total of 143 000 euros. 100 000 euros were allocated as grants to the Hanken PhD programme and close to 53 000 euros went to modernising and developing the educational environment. In 2014 the focus will be on facilitating teaching, e.g. by introducing smartboards and other technical solutions. The improvements will be made at both the Helsinki and the Vaasa campus.

The foundation Stiftelsen Tre Smeder's donation of 100 000 euros makes it possible to fund five PhD students for a whole year.

"Hanken's research today is of a very high quality and through our donation we want to make it possible for PhD students to pursue their research without having to work in order to finance their studies. Since the Ministry of Education has introduced a new funding system, it's important for Hanken to achieve its degree target of 16 new PhDs a year for 2013-2016", says the spokesman for the foundation, Patrik Lerche.

NAMED CENTRES AND PROFESSORSHIPS

February 2013 marked the official inauguration of Hanken's new research centre – the Erling-Persson Centre for Entrepreneurship. The centre was named after Hanken had received a donation of 2,5 million euros from the Erling-Persson foundation. The donation was made during the fundraising campaign Hanken 100 in order to strengthen Hanken's capital. The aim of the centre is to conduct high-level research in entrepreneurship and family businesses in an innovative way.

The largest donors to the campaign have had professorial chairs named in their honour:

- » Frank den Hond was appointed Ehrnrooth Professor of Management and Organisation in February 2013. The chair has been named in honour of a donation from the Louise and Göran Ehrnrooth Foundation.
- » Thommie Burström was appointed Rettig Capital post-doctoral researcher in Entrepreneurship in June 2013; the position was named in honour of a donation from Rettig Capital Oy Ab.
- » Gyöngyi Kovacs, Director of Hanken's Institute for Humanitarian Logistics and Supply Chain Research Institute, was appointed Erkkö Professor of Humanitarian Logistics in June 2013; the chair was named in honour of a donation from the Jane and Aatos Erkkö Foundation.
- » Timo Korkeamäki has been appointed Pentti Professor of Finance as of August 2013; the chair is named in honour of a donation from Karin and Heikki Pentti

"External donations are of vital importance to Hanken's development", says Rector Eva Liljebom. "With state funding being reduced, we will have to continue to look to external involvement if we want to compete internationally and maintain our high standards".



THE PAST YEAR IN THE PARTNER PROGRAMME

- » In January, the Hanken Finance Day Seminar was organised under the theme "The Digital revolution 2.0", along with a luncheon for the Hanken Premium Partners.
- » The Hanken Premium Partner companies participated in both educational and alumni seminars with their guest lecturers and experts.
- » During the Rector's List Scholarship ceremony in May, representatives from the partner companies had the chance to meet the rewarded top students.
- » Hanken Network Day was organised for the third time with 20 participating companies on the theme "Focus Career and Entrepreneurship". The day, which was concluded with Hanken Network Dinner, was organised together with students from SHS and Hanken Entrepreneurship Society.
- » Through the Partner Programme, the companies participated in career seminars and CV check-in occasions at Hanken. The companies also offered students opportunities to become acquainted with the daily work within the organisations through customised theme days.
- » In Vaasa, the Partner Programme started up during 2013. During the Partner Day in October, students gained insight into potential future career paths as well as the business activities of the partner companies.
- » Hanken Premium Partner companies received named auditoriums and group rooms in the main building in Helsinki.

During 2013, the following companies were included in the Partner Programme:

Hanken Premium Partners: Fazer, KPMG and PwC

Hanken Partner: EY

Hanken Vaasa Partners: Dermoshop, Estlander & Partners and Wärtsilä

HIGH LEVEL EXECUTIVE EDUCATION

For Hanken's Executive Education unit, 2013 was a good year with top ranking results for Executive Education and a renewed AMBA accreditation.

Hanken & SSE Executive Education has since 2005 been a joint venture between Hanken and SSE - the Stockholm School of Economics - and is today a well-established player on the Finnish and the Baltic markets.

CEO Sari Salojärvi comments: "Through our co-operation with SSE our Financial Times ranking results for our joint Executive Education continues to reach top levels in Northern Europe. We have focused more on leadership programmes and our base has grown to include customers from several different industries".

The turnover for 2013 was 2,15 million euros with a profit of 6 percent. Successes worth mentioning are the first open programmes for young managers and the Finnish launch of the Swedish management bestseller "This is Lean". Hanken's Executive Education also achieved an all-time high in customer approval, rating an average of 5,8 out of 7.

"The future looks both challenging and promising – challenging because the demand for what we're offering follows the general economic trends and we're still waiting to see an increase. Promising because we've been able to make a profit while keeping all our current programmes running and even creating some new ones", says Sari Salojärvi.

RENEWED AMBA ACCREDITATION

2013 marked the sixteenth year of Hanken's MBA programme; the programme has continued to show a balanced economy. Project Nova, designed to review the contents of the MBA programme was initiated.

Hanken's Executive MBA programme was re-accredited once again by AMBA, the most prestigious accreditation for MBA programmes.

"The accreditation is a sign of continued trust in the delivery and development of the Hanken Executive MBA programme and ensures both participants and alumni that the programme meets the highest international standards when it comes to programme design, content and support", says MBA Director Annika Vatanen.

International accreditations are increasingly important for business schools everywhere. Hanken also has an EQUIS accreditation since 2000.

HANKEN'S VAASA CAMPUS SHOWS AN INCREASE IN EXECUTIVE EDUCATION

For the third year running, Hanken's Executive Education in Vaasa showed an increase. In 2013 the department had a total of 251 participants from 118 companies. For the second successive year Ostrobothnian enterprises met for a 16-day programme.

The project Hanken New Ventures was also initiated with an end to building an innovation platform at the Vaasa campus.

"The platform will further entrepreneurship and creativity among our students as well as intensify the cooperation with the alumni network and the surrounding corporate world", says André Österholm, Director of Executive Education at the Vaasa campus.



THE 20TH CEFA COURSE STARTED

WCEFIR, Hanken’s Wallenberg Center for Financial Research kicked off its 20th CEFA course.

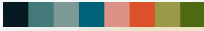
The CEFA 19-programme was concluded in 2013 and the CEFA 20-programme (2013-2014) was initiated. The OPPB programme 2012-2013 was concluded in the spring of 2013 and in late autumn 2013 the second OPPB programme started with 18 participants.

WCEFIR is an important source for funding the faculty’s doctoral studies. In 2013 the Center funded study grants totaling 135 762 euros.

HANKEN EXECUTIVE EDUCATION 2013*

Turnover (EUR)	3 360 761
Instruction days (open programmes)	191
Instruction days (tailored programmes)	247
Workshops	36
Number of participants	1160

* Hanken & SSE Executive Education, Hanken Executive MBA, Hanken Executive Education Vaasa, and WCEFIR (Hanken’s other competence centres not included).



NUMBER OF APPLICANTS, ADMITTED AND ENROLLED STUDENTS

APPLICANTS	2011	2012	2013
Integrated BSc and MSc programmes in Swedish	967	1025	1133
Master's programmes in Swedish	129	111	133
Master's programmes in English	351	413	401
TOTAL	1447	1549	1667
ADMITTED	2011	2012	2013
Integrated BSc and MSc programmes in Swedish	247	251	276
Master's programmes in Swedish	55	56	53
Master's programmes in English	111	114	148
TOTAL	413	421	477
ENROLLED	2011	2012	2013
Integrated BSc and MSc programmes in Swedish	223	228	254
Master's programmes in Swedish	45	55	53
Master's programmes in English	57	64	92
TOTAL	325	347	399

TOTAL NUMBER OF ENROLLED STUDENTS BY AUTUMN 2013

ENROLLED	HELSINKI			VAASA			TOTAL
	Present	Absent	TOTAL	Present	Absent	TOTAL	
BSc students	1000	121	1121	291	29	320	1441
MSc students	544	85	629	131	27	158	787
Doctoral students	108	21	129	24	4	28	157
TOTAL ENROLMENTS	1652	227	1879	446	60	506	2385

DEGREES AWARDED

PHD	2011	2012	2013
Helsinki	13	10	11
Vaasa	2	3	4
TOTAL	15	13	15

MSC	2011	2012	2013
Helsinki	197	205	189
Vaasa	42	50	65
TOTAL	239	255	254

BSC	2011	2012	2013
Helsinki	192	186	170
Vaasa	53	51	57
TOTAL	245	237	227

PUBLICATIONS

PUBLICATION CATEGORY	2011	2012	2013
Number of scholarly peer-reviewed publications (total) Class A1-A4 & C1	225	225	189
Number of publications in JUFO* - Level 3	8	25	18
Number of publications in JUFO* - Level 2	56	62	55
Number of publications in JUFO* - Level 1	91	86	88
Number of publications in JUFO* - Level 0	120	107	93
Number of publications in FT45-journals**	5	12	14
External reserch funding exposed to competition (total)	811395	1278448	1817300

*Finnish Publication Forum classification

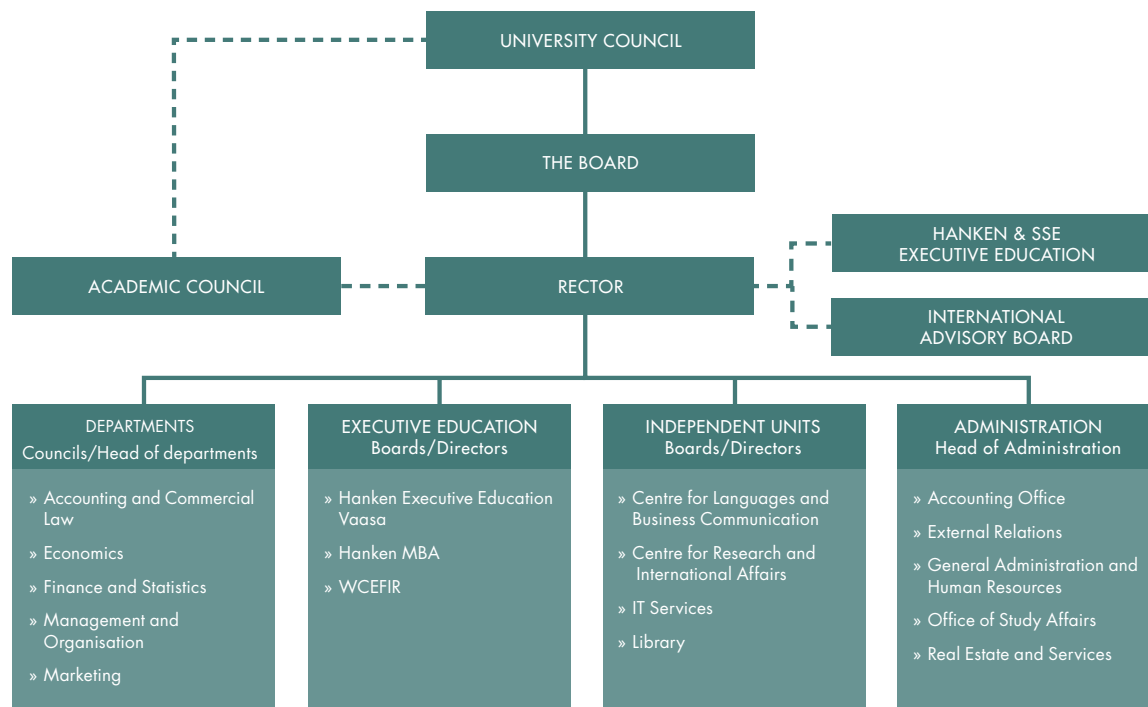
** The 45 journals used by the Financial Times in compiling the Business School research rank



HANKEN'S PERSONNEL

FULL-TIME EQUIVALENT (FTE)	2013
Professors	29,7
Assistant professors, lecturers & postdoc researchers	36,6
Associate professors	37,3
Research & teaching assistants, doctoral students	14,7
Hourly paid teachers	11,2
FACULTY TOTAL	129,5
Library personnel	12,6
IT personnel	9,8
Other administrative and service personnel	70,1
Assisting personnel in teaching and research	5,6
PERSONNEL TOTAL	98,1
FTE TOTAL	227,6

HANKEN'S ORGANISATION CHART



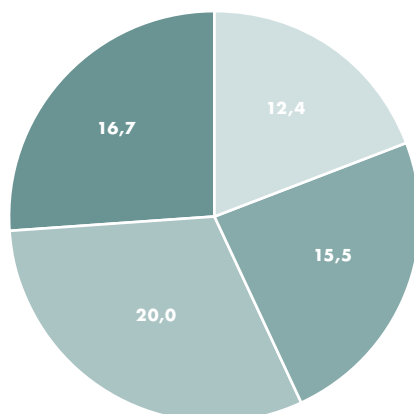
INVESTMENT OPERATIONS OF THE YEAR

The investing and financing activities of Hanken School of Economics for donations and matched assets are outsourced to two external portfolio managers. The assets are invested in publicly listed shares and in investment funds that administer shares and interest-bearing instruments.

Investing and financing activities	2013	2012
Portfolio return (%)	11%	13%
Surplus (MEUR)	4,2	2,2
Fair value reserve (MEUR)	3,7	1,2
Total outsourced investment management (MEUR)	64,6	58,2

INVESTMENT CATEGORIES

The guidelines for the outsourced investment management are stipulated by the Board of Hanken, who regularly follows up the investment operations through its Investment Committee.



- Domestic exchange-traded shares
- Investments in equity funds that invest in foreign listed shares
- Interest-bearing listed instruments: Company instruments
- Interest-bearing listed instruments: Money market instruments and other operators

TOTAL OUTSOURCED INVESTMENT MANAGEMENT IN 2013: 64,6 MEUR

INCOME AND EXPENDITURE STATEMENT (EUR)		2013	2012
ORDINARY ACTIVITIES			
INCOME			
Grants and benefits		3 587 235,7	3 454 220,64
Income of commercial activity		1 639 612,59	1 430 776,42
Other income		158 403,2	97 487,01
INCOME, TOTAL		5 385 251,49	4 982 484,07
EXPENSES			
Staff costs		-15 303 550,13	-14 640 689,41
Depreciation and reduction in value		-21 689,60	-46 533,51
Other operating expenses		-8 285 549,14	-7 627 960,79
EXPENSE, TOTAL		-23 610 788,87	-22 315 183,71
FUNDRAISING			
INCOME			
Fundraising		142 939,00	310 420,00
Transferred to Hanken equity		-142 939,00	-310 420,00
		-18 255 537,38	-17 332 699,64
FINANCIAL ACTIVITES			
INCOME			
Income from participating interests		791 051,03	486 948,48
Interest income		74 746,65	142 809,08
Other financial income		1 880 880,34	1 589 017,86
Sales revenue		2 257 232,26	941 826,48
EXPENSES			
Interests		-611,01	-3 217,06
Other financial expenses		-23 116,22	-22 579,21
Sales loss		-731 824,75	-923 648,63
INCOME, TOTAL		-13 977 179,08	-15 121 542,64
PUBLIC FUNDING			
Public grant		16 617 000,00	18 128 000,00
CHANGE IN DESIGNATED RESERVES			
		137 721,10	
DIRECT TAXES			
		-119 913,77	-25 600,53
PROFIT/LOSS FOR THE FINANCIAL PERIOD		2 657 628,25	2 980 856,83

BALANCE SHEET (EUR)	2013	2012
ASSETS		
NON-CURRENT ASSETS		
Tangible assets		
Inventories etc.	0,00	21 689,60
Investments		
Shares and holdings	6 967 260,03	7 027 260,03
Self-financing funds	59 095,21	58 937,16
ASSETS TOTAL	7 026 355,24	7 107 886,79
CURRENT ASSETS		
Current financial receivables		
Sales receivables	922 091,82	853 534,76
Other receivables	406 407,69	230 302,80
Adjusting entries for assets	654 389,42	469 426,69
Financial securities	64 564 070,39	58 101 067,57
Cash and bank balances	8 863 171,18	10 025 073,67
CURRENT FINANCIAL RECEIVABLES	75 410 130,50	69 679 405,49
CASH AND BANK	82 436 485,74	76 787 292,28
EQUITY AND LIABILITIES		
EQUITY		
Endowment equity	61 429 390,22	61 429 390,22
Self-financing funds	59 095,21	58 937,16
Fair value reserve	3 683 349,44	1 219 063,14
UNRESTRICTED EQUITY		
Working capital	6 285 092,24	6 285 092,24
Hankens Vänner Fund	322 137,90	316 420,00
Retained earnings	546 206,78	546 206,78
Profit/loss of the year	2 657 628,25	2 980 856,83
	77 963 756,87	72 835 966,37
LIABILITIES		
Current liabilities		
Advances received	1 605 683,18	1 372 321,38
Payables	747 399,04	339 637,04
Other liabilities	1 976 834,06	1 830 712,50
Adjusting entries for liabilities	142 812,59	408 654,99
	4 472 728,87	3 951 325,91
TOTAL EQUITY AND LIABILITIES	82 436 485,74	76 787 292,28



DECISION-MAKING AND ADVISORY BODIES

HANKEN BOARD

31.12.2013

Chair	Chair Björn Wahlroos (external)
Vice-Chair	CEO Jannica Fagerholm (external)
	Chair Philip Aminoff (external)
	Professor Johan Knif
	ICT Coordinator Kicka Lindroos
	Postdoc Researcher Charlotta Niemistö
	Student Rasmus Savander
	Professor Tore Strandvik
	Lecturer Susanna Taimitarha
	Board member Johanna Tidström (external)

EXECUTIVE MANAGEMENT

31.12.2013

Rector, Professor Eva Liljebloom
Dean, Professor Sören Kock
Dean, Professor Karen Spens
Dean, Professor Rune Stenbacka
Research Director Maj-Britt Hedvall
Director of Administration Mauno Lindroos
Director of External Relations Nina Olin
Director of Human Resources Elina Stadigh
Director of Office of Study Affairs Linda Gerkman

UNIVERSITY COUNCIL

31.12.2013

PROFESSORS

Tom Berglund
 Christian Grönroos
 Maria Holmlund-Rytönen
 Martin Lindell
 Petri Mäntysaari
 Pontus Troberg

LECTURERS, ASSOCIATE PROFESSORS AND OTHER STAFF

Åke Finne
 Lotte Granberg-Haakana
 Mikko Laamanen
 Marit Nilsson-Väre
 Alexandra Ohls
 Nikodemus Solitander

STUDENTS

Filip Byfält
 Markus Heikkilä
 Tor-Oskar Karlberg
 Camilla Lagerroos
 Sebastian Sandberg
 Erik Stenberg



ACADEMIC COUNCIL

31.12.2013

Chair	Rector Eva Liljebloom
Vice-Chair	Dean Sören Kock

REPRESENTATIVES OF THE DEPARTMENTS

Professor Maria Holmlund-Rytkönen
Professor Frank den Hond
Professor Anders Löflund
Professor Minna Martikainen
Assistant Professor Topi Miettinen

REPRESENTATIVES OF THE PROFESSORS

Professor Christian Grönroos
Professor Kenneth Högholm

REPRESENTATIVES OF LECTURERS, ASSOCIATE PROFESSORS AND OTHER STAFF

Lecturer Jannika Lassus
Associate Professor Anne Rindell

REPRESENTATIVE OF THE LANGUAGE CENTRE

Associate Professor Martti Mäkinen

STUDENT REPRESENTATIVES

Wiktorina Hallberg
Camilla Mäkinen





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